

State of Colorado

Department of Local Affairs Division of Housing

Governor Bill Ritter, Jr. Susan Kirkpatrick, Executive Director

1313 Sherman Street, Suite 518 Denver, Colorado 80203 (303) 866-2033

Resolution 6

RE: FORECLOSURE DEFERMENT PROGRAM PURSUANT TO §38-38-801 et seq C.R.S.

BE IT RESOLVED BY THE DIVISION OF HOUSING OF THE DEPARTMENT OF LOCAL AFFAIRS;

THAT PURSUANT TO §38-38-807.5 *et seq* C.R.S. as amended, the Division of Housing provides the following clarification on the use of appropriate forms and notices relating to the Colorado Foreclosure Deferment Program (§38-38-801, *et seq*, C.R.S.):

§38-38-805 (1), C.R.S. states:

If a holder has received notice from an eligible borrower's foreclosure counselor that the eligible borrower qualifies for a foreclosure deferment, the holder and the eligible borrower shall negotiate the terms of the debt obligation secured by the deed of trust, subject to the terms of any agreement applicable to the debt obligation or any applicable government-supported enterprise servicing guidelines.

A holder that does not respond to the housing counselor's statement of qualification for deferment has not engaged in negotiation and is in violation of §38-38-805, C.R.S.

Housing counselors, lenders or servicers are not obliged to accept or extend loan modification offers on behalf of the borrower, nor are housing counselors, lenders or servicers obliged to recommend loan modification offers to the borrower.